



FY2025 NDAA: Military Child Care Proposals

October 8, 2024

In 2023, the House Armed Services Committee (HASC) [established a Quality of Life \(QoL\) Panel](#) to develop proposals for a National Defense Authorization Act for Fiscal Year 2025 (FY2025 NDAA). On April 8, 2024, the QoL Panel released its [final report](#). Several of the report's recommendations related to military child care were included in H.R. 8070, the *Servicemember Quality of Life Improvement Act*, [which served as the base text for the HASC version of the FY2025 NDAA](#). This bill was passed by the House on June 14, 2024. The Senate Armed Services Committee (SASC) reported S. 4638, its version of the FY2025 NDAA, on July 8, 2024. Congress is considering whether to negotiate a final FY2025 NDAA based in part on versions of these bills, which contain several provisions related to military child care.

Background

The Department of Defense (DOD) operates the largest employer-sponsored child care program in the United States, [serving approximately 200,000 children](#) of servicemembers and DOD civilians. [DOD's child development programs \(CDPs\)](#) include subsidized programs in: (1) DOD-operated *child development centers* (CDCs), (2) private in-home care (called the *family child care* program), and (3) qualified private care centers in the local community (called the *fee assistance program*). In addition to these programs, DOD has also implemented a [Child Care in Your Home \(CCYH\)](#) pilot under the fee assistance program that allows qualified families to receive subsidies for in-home care (e.g., hiring a nanny).

The military services employ a combination of [appropriated fund \(APF\) and non-appropriated fund \(NAF\) workers](#) as direct care providers in their CDCs with salary and benefits that fall under federally determined pay tables. [DOD has previously reported](#) that the services predominately use a NAF workforce “in order to maximize flexibilities offered for staff onboarding and compensation.” Under [10 U.S.C. §1792\(c\)](#), childcare employees paid with NAF “shall be paid at rates of pay competitive with the rates of pay” for other installation employees with similar training, seniority, and experience. The [QoL Panel found](#) that “while the Department of Defense CDP employee wages are competitive and the Department has made significant efforts to attract and retain child care workers, CDCs continue to have high staff vacancy rates.”

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Legislative Proposals

Certain provisions of the House-passed and SASC-reported versions of the bill would primarily seek to address child care staffing issues (see **Table 1**).

Table 1. Selected Child Care Provisions in Proposals for FY2025 NDAA

House-passed (H.R. 8070)	SASC-reported (S. 4638)
<p>Section 1107 would require DOD to redesign its child care staffing model and compensation system and to include support positions for children with special needs. It would require a 5-year implementation plan with annual reports to Congress starting within 180 days of enactment.</p> <p>No similar provision</p> <p>Section 579A would direct the Government Accountability Office (GAO) to assess the extent to which current child care program resources are meeting the needs of military families.</p>	<p>Section 578 is a similar provision, but would require annual briefings to Congress in lieu of reports.</p> <p>Section 579 would authorize the Secretary of Defense to use financial incentives to recruit and retain childcare providers, and work with other federal agencies to place national service participants and trained volunteers in DOD CDCs. The Secretary would also be authorized to provide training and subsidies to eligible child care providers.</p> <p>No similar provision</p>

Source: CRS analysis of legislation.

The House and Senate have proposed similar provisions (Sections 1107 and 578, respectively) that would require DOD to redesign and implement a new compensation and staffing model for child care workers. The new model would be required to include specialized staff to support children with special needs. Both versions of the bill would require implementation to begin no later than April 1, 2025, “subject to the availability of appropriations.” The [Biden Administration has expressed support for these proposals](#) and the military services’ FY2025 budget justification documents include requests for additional funding to Operation and Maintenance (O&M) line items for caregiver recruitment and retention. For example:

- The [Navy](#) requested an \$8,949,000 increase to the Base Operating Support line item to fund a “Childcare Workforce Initiative”;
- The [Army](#) requested an unspecified amount of increased funding, in part, “to improve recruitment, retention, and compensation for staff” and “expand discounts for staff with children enrolled in the Child Development Program and support bonus initiatives ... and professional development of child care staff.” This request is part of a proposed \$96,157,000 increase to the Base Operations Support line item that would also fund other child and youth program enhancements;
- The [Air Force](#) requested \$16,495,000 to the Base Support line item to “implement redesigned child care provider compensation, reduce staff to child ratios, and add special needs coordinators within U.S. Air Force Child and Youth Programs”; and
- The [Marine Corps](#) requested \$2,100,000 to the Base Operating Support line item “to implement redesigned child provider compensation, modernization of the childcare workforce and the addition of special needs.”

Section 579 of S. 4638 would also authorize DOD to use a range of incentives, interagency partnerships, subsidies and volunteer programs to address child care shortfalls. In particular, this provision would encourage DOD to explore a partnership with agencies that administer national service programs (e.g., the [Corporation for National and Community Service](#)). DOD-administered subsidies could potentially be

used to provide training or other resources to community-based providers, specifically those who are eligible under the [Child Care and Development Block Grant](#). DOD has taken steps to expand the supply of community-based providers eligible to receive fee assistance subsidies through the [Military Child Care in Your Neighborhood Plus \(MCCYN+\)](#) program. MCCYN+ allows child care centers that are not accredited but meet other quality standards to receive fee assistance subsidies.

The House bill also calls for a GAO study to assess child care wait times for military families and the amount of funding allocated to the MYCCN and CCYH programs. The timeline for this GAO report would be six months following the enactment of an NDAA and could inform consideration of child care-related legislation in the 119th Congress.

For more background, see CRS Report R45288, *Military Child Development Program: Background and Issues*, and CRS Report R47312, *The Child Care and Development Block Grant: In Brief*.

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